

# Building Blocks for Effective Housing Elements

## Review and Revise

---

*Government Code Section 65588 requires: "Each local government shall review its housing element as frequently as appropriate to evaluate all of the following: (1) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal. (2) The effectiveness of the housing element in attainment of the community's housing goals and objectives. (3) The progress of the city, county, or city and county in implementation of the housing element."*

The review and revise requirement is an important feature of the housing element update. A thorough review facilitates a comprehensive update and ensures the element can be effectively implemented in the next planning period.

### I. REQUISITE ANALYSIS

The review and revise requires analysis in three areas as follows:

1. Effectiveness of the element – A description of the actual results or outcomes of the prior element's goals (i.e., what happened), objectives, policies, and programs. The results should be quantified where possible (e.g., number of units rehabilitated) and may be qualitative where necessary (e.g., mitigation of governmental constraints).
2. Progress in implementation – For each program, the analysis should compare significant differences between what was projected or planned in the earlier element and what was achieved. Analyze the differences to determine where the previous housing element met, exceeded, or fell short of what was anticipated.
3. Appropriateness of goals, objectives, policies and programs – A description of what has been learned based on the analysis of progress and effectiveness of the previous element. A description of how the goals, objectives, policies, and programs in the updated element are being changed or adjusted to incorporate what has been learned from the results of the previous element, (Section 65588(a)(1)).

### Data Sources

- Annual General Plan progress reports, as required by Government Code Section (GC) 65400. Many communities cross reference and use the annual progress report (GC 65400(b)(1)) as a useful source of information for review of the previous housing element.
- Department of Finance, Demographic Research Unit
- Annual LMI Housing Fund Redevelopment
- Consolidated Plan Reports

### Sample Tables

The following are sample tables to assist in organizing critical information pertaining to housing element requirements. The information provided in the tables should be tailored to the jurisdiction and followed by appropriate analysis. These sample tables are not intended to be a substitute for addressing the analytical requirements described in the statute.

#### **Progress Toward Meeting (year) Housing Element Goals and Objectives**

<b>Policy/Program</b>	<b>Objective (quantified/qualified)</b>	<b>Result</b>	<b>Evaluation</b>	<b>Continue/Modify/Delete</b>
<b>Action:</b> Apply for Small City CDBG funding through HCD by 2002 to assist in the rehabilitation of 20 lower-income housing units. <b>Timing:</b> December 2002 <b>Responsibility:</b> Housing Dept.	Assist in the rehabilitation of 20 housing units.	In 2003, the City applied for and received a CDBG Grant for \$500,000 for the rehabilitation of housing units. The City has rehabilitated 15 units since 2003.	Mostly successful. A total of 15 households have been assisted through this program. However, due to limited marketing and increased costs, the City was unable to meet its goal of assisting 20 households.	The City will continue this program and reapply for funding in 2009. Program will be strengthened by marketing through local newspapers and notices sent to households in both Spanish and English.
Action (Insert program action)				

### Progress Towards Meeting (year) Quantified Objectives

Income Groups	New Construction	Rehabilitation	Conservation and Preservation
Very Low			
Low			
Moderate			
Above Moderate			
TOTAL			

### Housing Element Law Implementation Requirement (GC Section 65584.09, Chapter 614, Statutes of 2005 [AB 1233])

(a) *“For housing elements due on or after January 1, 2006, if a city or county in the prior planning period failed to identify or make available adequate sites to accommodate the regional housing need allocated, then the city or county shall, within the first year of the planning period of the new housing element, zone or rezone adequate sites to accommodate the unaccommodated portion of the regional housing need allocation from the prior planning period.*

(b) *The requirements under subdivision (a) shall be in addition to any zoning or rezoning required to accommodate the jurisdiction’s share of the regional housing need pursuant to Section 65584 for the new planning period.*

(c) *This section does not diminish the requirement of a city or county to accommodate its share of the regional housing need for each income level during the planning period including the obligations to (1) implement programs, (2) timely adopt a housing element with an inventory described and a program to make sites available which can accommodate the jurisdiction’s share of the regional housing need.*

If the current element was found in compliance by HCD and the answer to either of the following questions is yes, GC Section 65584.09 generally **will not** apply:

Question	Yes	No
Did the inventory of sites required by Section 65583(a)(3) identify adequate sites?		
Were the program actions to rezone or provide adequate sites fully implemented?		

GC Section 65584.09 **does apply**, unless the local government answers yes to any of the following questions:

Question	Yes	No
Failed to adopt an updated housing element for the prior planning period?		
Adopted a housing element found out of compliance by HCD due to failure to substantially comply with the adequate sites requirement?		
Failed to implement the adequate sites programs to make sites available within the planning period?		
Failed to identify or make available adequate sites to accommodate a portion of the regional housing need?		

If the answer to any of the last four questions was yes, the jurisdiction must zone or rezone adequate sites to address the **unaccommodated** housing need within the first year of the new planning period. To demonstrate adequate sites for the new planning period, the updated housing element must identify the **unaccommodated** housing need by income level. To determine the unaccommodated need, jurisdictions could take the following steps:

- Subtract the number of units approved or constructed (by income) since the beginning of the previous planning period's RHNA baseline data.
- Subtract the number of units that could be accommodated on any appropriately zoned sites specifically identified in the element adopted for the previous planning period (not counted above).
- Subtract the number of units accommodated on sites that have been rezoned for residential development pursuant to the site identification programs in the element adopted for the prior planning period.
- Subtract the number of units accommodated on sites rezoned for residential development independent of the sites rezoned in conjunction with the element's site identification programs as described above.

Sample Table to Calculate Unaccommodated Housing Need:

Smart City had a RHNA of 1,000 housing units. While the element demonstrated it had sufficient sites to accommodate 850 units, it contained a rezone program to accommodate the 150 unit remaining need for lower-income households. By the time of the next housing element update, the City had not completed the rezoning as described in the housing element program action. Over the previous 5 years, 1,025 units were constructed (including 175 units affordable to lower-income households). Although the rezoning program was not completed using sites described in the element, the City was able to rezone a smaller 2 acre parcel to high density residential, which could accommodate 40 lower-income units.

	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Above Moderate</b>
<b>RHNA</b>	<b>150</b>	<b>250</b>	<b>200</b>	<b>400</b>
1) <i>Units constructed</i>	50	125	100	750
2) <i>Previously identified sites currently available (Capacity)</i>	25	50	100	N/A
3) <i>Sites rezoned pursuant to Housing Element Program</i>	0	0	N/A	N/A
4) <i>Sites rezoned (other)</i>	20	20	0	N/A
<b>Remaining Need</b>	<b>55</b>	<b>55</b>	<b>0</b>	<b>N/A</b>
<b>Total Remaining Need</b>	<b>110</b>			

As a result, Smart City has an unaccommodated need of 110 units for lower-income households and must identify or rezone sufficient sites to address this need within the first year of the new planning period.

- Once a determination has been made that an unaccommodated housing need exists, cities and counties must identify sites that are appropriately zoned, or will be appropriately zoned within the first year of the new planning period, to meet the unaccommodated housing need.
- The sites “made available” as part of the rezone program must comply with the site suitability requirements set forth in GC Section 65583.2.
- Within the first year of the new planning period, cities and counties must adopt and complete program commitments to zone and/or rezone sites to address the unaccommodated housing need for the previous planning period for which sites were not identified. This requirement is **in addition** to the requirement to identify other specific sites to accommodate the RHNA for the new planning period. The jurisdiction may not count capacity on the same sites for both planning periods.

## **KEY IDEAS**

### **II. HELPFUL HINTS**

- Utilize past Annual Housing Element Report required pursuant to GC 65400 for information on program implementation.
- Contact stakeholders such as non-profit developers, advocates, community members, and service providers to assist in evaluating program effectiveness.

### **III. LINKS**

[HCD Department Memo: Application of Government Code Section 65584.09 \(Chapter 614, Statutes of 2005\[AB 1233\]\)](#)

[HCD Consolidated Annual Performance and Evaluation Report \(CAPER\) – Listing of CDBG, HOME, HOPWA, and ESG recipients by jurisdiction](#)

[HCD: California State Consolidated Plan 2005 - 2010](#)

[HCD 07-08 Annual Update to 2005 – 2010 State Consolidated Plan](#)

[HCD Bibliography related to Housing Affordability](#)